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Vietnam: The lull in significant Communist-

initiated military activity continues, and no solid evidence of an early break in the pattern has appeared. 25X1 an upcoming autumn campaign, the dimensions of which are still not clear. A new resolution laying out Communist strategy for the rest of 1969 is to be disseminated soon. It reportedly calls for at least three so-called "highpoints" in military action in August and September. [25X1 25X1 Communist military units throughout South Vietnam are in the process of planning a "general offensive" which will begin to unfold next month. the scope of the Communists' plans for their next seasonal military effort remains unclear. Moreover, there are a number of indications which suggest that Communist offensive efforts in the next month or so will be quite limited, probably similar to the harassing actions which generally characterized this year's summer campaign.

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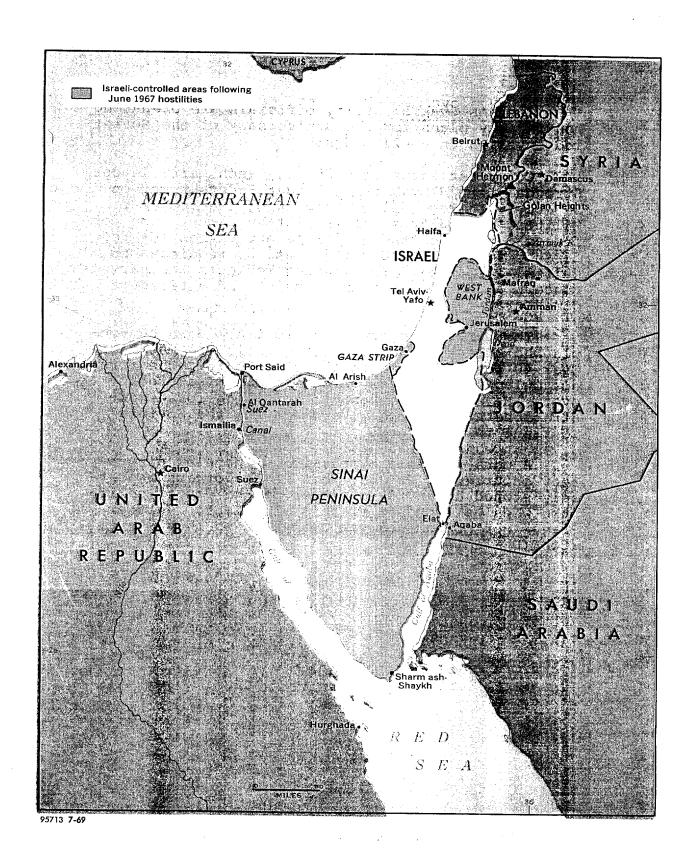
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Czechoslovakia: Party officials are preparing contingency plans for the anniversary of the Sovietled invasion on 20-21 August.

Communist Party boss Husak, Czech party leader Strougal, and Slovak party leader Sadovsky met on 30 July with regional commanders of the People's Militia, the party's quasi-military force. The conferees discussed "the militia's activities for the forthcoming period" and its state of readiness to fulfill its tasks. The meeting reflects the party's concern about possible anti-Soviet and antiregime demonstrations.

The party also continues to crack down on people who allegedly are spreading antistate material. Over 40 people have been arrested so far, the first acknowledged political arrests since Husak took over. Nevertheless, handbills calling for demonstrations against the government and the Soviets continue to be spread.

A more tangible expression of popular discontent occurred on 29 July when Czech workers reportedly stoned a candidate member of the Soviet politburo when he tried to visit their plant. Neither Prague nor Moscow has yet commented on this event.



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Middle East: Fighting has generally subsided this week, but minor clashes in Syria and along the Suez Canal have resulted in casualties for both sides.

Syrian aircraft and artillery struck at Israeli positions in the Golan Heights - Mount Hermon area yesterday, according to spokesmen in Damascus. The air strike, the first initiated by Syria, was said to be in retaliation for Israel's air attack on 30 July against fedayeen bases in the area. Along the Suez Canal one Israeli soldier was killed and another wounded on 30 July in the sporadic exchanges of mortar and light arms fire.

The withdrawal of UN observers along the canal appears less likely. In a meeting yesterday of the seven nations contributing observer personnel, it was agreed that Secretary General Thant would take the initiative in convening the Security Council for consideration of withdrawal and that the council alone had the power to make that decision.

* * * *

Israel continues to pursue its impossible dream of "educating" the Arabs to recognize the futility of military action. The independent Hebrew newspaper, Yediot Aharonot, said regarding the Suez Canal that "if Egypt learns the lesson and stops, so much the better, but if this is not sufficient for the student, the only way to teach him is to increase the punishment still further."

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El Salvador - Honduras: Progress has been made toward troop withdrawal, but many obstacles impede a final solution to the crisis.

Salvador's President Sanchez is publicly claiming both a military and a diplomatic victory, a boast which is adding to Honduran dissatisfaction with the outcome of the conflict. The psychological letdown Hondurans are experiencing will probably be reflected in continued antagonism toward Salvadoran citizens in Honduras.

As Honduran authorities return to areas formerly occupied by Salvadoran armed forces, new difficulties in implementing the OAS resolutions will probably arise.

Salvadoran forces have pillaged many villages, causing the populace to flee.

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France: The French will begin to produce lowgrade enriched uranium for export in competition with the US and UK,

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The uranium will come from the gaseous diffusion facility at Pierrelatte, which is the source of the highly enriched uranium for France's nuclear weapons. Apparently the French have largely satisfied their immediate military needs for weaponsgrade uranium.

The Pierrelatte facility could continue to turn out reduced amounts of highly enriched uranium for military needs, and at the same time enough reactorgrade uranium could be withdrawn from the early stages of the process for establishing some export markets.

Sale of this uranium at US prices would result in a financial loss to the French, but they probably would tolerate the loss to secure future markets. If the French are able to build sufficient markets by these sales, they may then decide to construct new plant capacity at Pierrelatte to handle the demand for reactor-grade uranium. Such construction could be completed in two to four years. It might enable the French to sell this material at competitive prices in expanded markets over the next few decades.

Communist China: Propaganda broadcasts assailing "anarchism" and stressing "organizational discipline" have increased recently, suggesting that Peking is taking a tougher stance on the problem of political disunity.

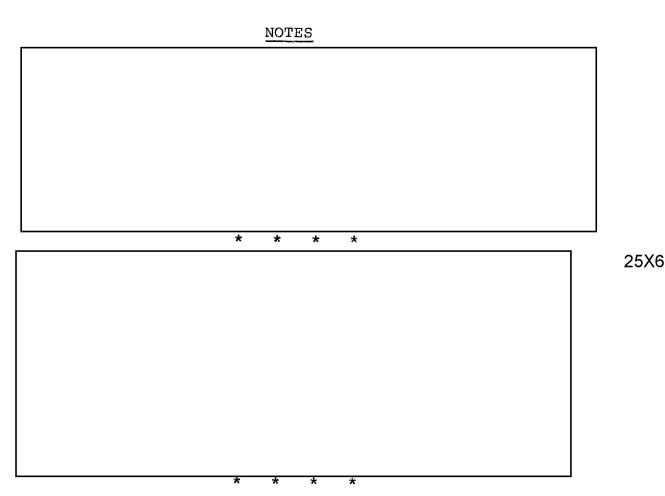
Since mid-July broadcasts from about a dozen provinces have taken up the theme, and some have gone as far as describing anarchy as the "archenemy" of the proletarian revolution "at this moment." The chief targets of the propaganda appear to be unruly "mass organizations" and their representatives on the local revolutionary committees. An Anhwei broadcast of 23 July, for example, warned the leadership at all levels and revolutionary mass organizations to strengthen discipline and "resolutely carry out every directive" of the party central committee.

In attempting to bring mass organizations under control--especially since the ninth party congress in April--Peking is making a sharp departure from a policy followed during the hectic days of the Cultural Revolution. At that time Red Guards were told "rebellion is justified" and were encouraged to "seize all power" and to destroy the existing party apparatus. Now, according to a Peking broadcast of 29 July, the masses are being warned against the tendency toward "anarchism, bourgeois factionalism, and ultrademocracy" which "wrecks the party organization" and "adversely affects" policy implementation.

The crackdown on Red Guards was initiated over a year ago, but factionalists have shown a reluctance to disband their organizations and "unite" with their former rivals. This latest campaign directed against "anarchistic" trends suggests that Peking is growing impatient with these recalcitrant elements and may be moving more forcefully toward curbing their influence.

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Cuba-Venezuela: Radio Havana's termination of a specialized propaganda broadcast directed to Venezuela is further evidence of Cuba's interest in presenting a more respectable image in Latin America. The program, which had been heard regularly since November 1966 and was noted for its violent attacks on both the Venezuelan Government and the Venezuelan Communist Party, was discontinued on 18 July. A similar program beamed to Chile for over three years was dropped on 8 May. By removing these overt remnants of its aggressive policies of 1966-67, Havana probably hopes to create a more favorable atmosphere for the growing number of Latin American leaders who are openly questioning the practicality of OAS sanctions against Cuba.

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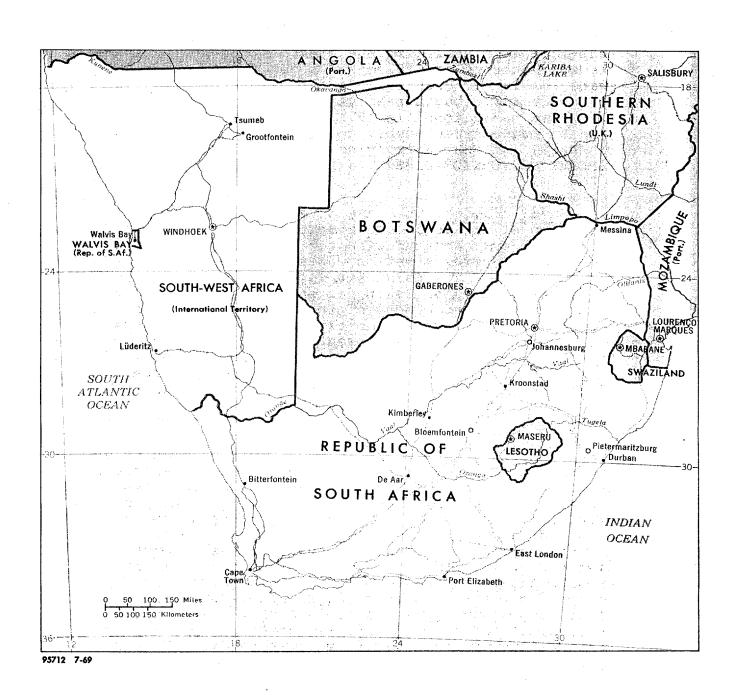
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Uruguay: The opposition parties have taken a significant step to end the bitter struggle between the government's legislative and executive branches by agreeing to cooperate with President Pacheco in matters affecting the "well-being and development of the nation." Legislative unwillingness to support Pacheco's hard-line policies on economic austerity and civil disorder had, in recent weeks, forced the President to rule almost exclusively by decree. The opposition parties are now trying to gain a voice in policy formation but it remains to be seen to what extent Pacheco will be willing to listen to them or even to increase consultation with key sectors of his own party.

UN - South Africa: Pretoria's failure to comply with the Security Council resolution of last March, which called upon South Africa to withdraw from South-West Africa or face unspecified measures, has come before the council. Zambia has called for mandatory trade sanctions against South Africa, a proposal unlikely to receive enough votes for adoption. A resolution may also be offered to sequester royalties and fees paid Pretoria by companies doing business in South-West Africa and place them in a UN trust fund to be held for the South-West Africans. Regardless

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of the outcome, Pretoria will not alter its stance.

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